

Realty Stock Review

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MARKET STRATEGY: THERE'S MORE THAN ONE WAY TO ADD VALUE TO REAL ESTATE STOCKS

One of Wall Street's biggest buzzwords is 'value added' stocks, yet there's precious little agreement on what managements can or should do to add value to realty stocks.

We think there are three main ways managements can add investment value to realty stocks, some not widely known:

1. Product enhancement: Managements which can turn raw ground into consistently saleable or rentable properties thru the development process (i.e., creating and winning regulatory approval for properties which meet specific local market needs) produce the highest value added; investment builders, home builders, and developmental equity REITs are leading exponents and their relatively strong stock prices bespeak their growth. We review this issue some investment builders who are among the best at development

The group also includes specialists in renovation, leasing, and re-merchandising who can give new life and value to outdated or bypassed properties. Equity REITs such as **Federal Realty**, **New Plan Realty**, and **Weingarten Realty** are leading examples.

2. Financial enhancement: Managements which raise public money to buy a

joint venture or participation stake in skills of a developer or real estate manager add value because they capitalize an income stream for public investors. Some REITs and MLPs have used their capital to buy health care or hotel properties from their sponsors, which operate the properties under net leases or management agreements.

Such entities become even more attractive when they go beyond being off-balance sheet vehicles for their sponsors and finance properties operated by third parties, such as **Health Care Property** and others have done. Development and joint venture financing REITs such as **ICM Property Inv.** and **Copley Properties** are also examples.

3. Structuring enhancements: Managements which develop ways to split real estate cash flows to benefit various investor groups also create value, albeit less widely recognized. The CMO REITs are the best recent examples (see RSR, Jan. 9, 1987) because they create significant residual values from expected cash flows from a pool of single-family mortgages.

Vehicles which deliver income to one group of investors and potential appreciation to another group are a newer type of structuring enhancement. **Prudential Realty Trust** (RSR, Apr. 24) was first of these vehicles; we review two others, **Duke Realty Investments** and **Sierra Capital Realty Trust VI** inside.

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PORTFOLIO SELECTOR: STOCKS SUITABLE FOR SHAPING HOLDINGS TO YOUR PORTFOLIO GOALS

We list below stocks we believe are currently usable in your portfolio, whatever your specific investment goals. Purchases (or sales) should be made at or near prices obtaining on the publication date, but we are not listing specific buy (or sell) points, so as to avoid conflict with money management clients.

The broad variety of securities included in RSR lets you target your holdings to your investment appetite, from very conservative to very aggressive; from high income to zero income; and from geographic regions and property types you desire. We've listed securities under a number of headings (a security may appear in more than one list) that could fit into any one of several possible investment strategies in today's investment climate. We are adding two homebuilders with unusual potential, in belief that recent unfavorable money market moves will stabilize:

Lennar Corp., Miami-based homebuilder which bought Development Corp. of Amer. in Dec. and which just raised \$36 mil. by selling 1.3 mil. new shs. to complete acquisition financing. DCA gives LEN dominant market position in south Fla. Consensus EPS estimates are

\$2.75-\$3.00/sh. for the Nov. 1987 year, \$3.50-plus in 1988. (see RSR, Mar. 27).

NVRyan, L.P., Vir.-based homebuilder which completed \$241.5 mil. debt and equity financing and merger with Ryan Homes this past week. Old name was NVHomes. Altho NVH paid slightly more than expected for its money (13.75% for senior subordinated debt, 10% for junior convertible debt), financing costs should not upset EPS estimates of about \$1.20-\$1.40 in 1987 and \$1.60-\$1.80 for 1988. Units fell sharply on prospects for higher financing costs; now that unknowns are settled, we see recovery for a major builder (see RSR, Mar. 27).

Radice Corp. is added to the aggressive category because we expect some action (e.g., going private or tender offer) for this deeply depressed income property builder. RI restructured debt by converting short-term credit into a secured loan amortizing over two years. The pact gives RI \$7 mil. working capital to complete several planned property sales. RI has reported losses recently because no major sales have closed.

News briefs of other realty stocks:

--**BankAmerica Realty** will acquire its adviser from BankAmerica Corp. for \$5 mil. and become internally administered. Name will change to **BRE Proper-**

PORTFOLIO SELECTOR LIST OF REALTY STOCKS FOR CURRENT INVESTMENT

OWNERS BY REGION	DIVERSIFIED PROPS.	Medical	Health Care Pr.(1/23/7)	Johnstown Amer.(2/13/7)
Northeast	Bay Fincl.(9/12/6)	Beverly Inv.(1/23/7)	Meditrust (1/23/7)	Johnstown/Consol.Rlty.
Federal Rl.(5/8/7)	First Union RE(3/13/7)	Health Care REIT(1/23/7)	*One Liberty Pr.(6/12/7)	Natl. Enter.(10/10/6)
Gould LP (1/9/7)	HRE Props.(3/13/7)	Health Care Pr.(1/23/7)	TAX-SHELTERED INCOME	Radice Co.(6/26/7)
New Plan Rlty(12/5/6)	Mortgage Growth(3/13/7)	ENTREPRENEURIAL	EQK Green Ac. (8/22/6)	Reading Co.(6/13/6)
Penn. REIT (12/5/6)	Property Cap(11/7/6)	OWNERS	EQK Rlty. (5/8/7)	Southland Finc.(10/10/6)
Presidential Rl.(10/24/6)	*Rouse Co. (6/26/7)	Federal Rlty(5/8/7)	Koger Co./Pr.(4/11/6)	Southmark Cp.(12/5/6)
Prudential Rl.(4/24/7)	Santa Fe So.Pac.	Gould Inv.LP(1/9/7)	LaQuinta LP(11/21/6)	U.S.Home (4/10&6/26/7)
Rockefeller Ctr(4/24/7)	B.F.Saul REIT (5/9/6)	*Forest City Ent(6/26/7)	MSA Realty(3/14/6)	
Washington REIT(5/8/7)		Koger Co.(5/9 &12/19/6)	Rock. Ctr. Pr.(4/24/7)	BUILDERS/DEVELOPERS
Midwest	BY PROPERTY TYPE	Koger Props.(12/19/6)	Trammell Crow (12/19/6)	Houses/Mfg.Hsg.
Bradley RET(11/21/6)	Shopping Centers	New Plan Rl.(12/5/6)	Turner Equity (4/11/6)	Calprop(11/21/6)
Chicago Dock(10/24/6)	Federal Rlty(5/8/7)	Perini Inv. Prop.		Centex Corp.(9/12/6)
*Duke Rlty. (6/26/7)	First Union RE(3/13/7)	*Rouse Co. (6/26/7)		Clayton Homes(10/10/6)
EQK Realty (5/8/7)	Intl. Income Pr.(5/8/7)	MORTGAGES - INCOME		Hovnanian Ent(5/23/6)
*Forest City En.(6/26/7)	IRT Prop.(3/13/7)	Fixed-rate		Leisure Tech.(8/8/6)
MSA Realty (3/14/6)	New Plan Rl.(12/5/6)	BRT Realty(10/10/6)		*Lennar Cp.(3/27&6/26/7)
South/Southwest	*Rouse Co.(6/26/7)	Cenvill Inves.(4/11/6)		MDC Holdings (4/10/7)
IRT Prop.Co.(3/13/7)	Weingarten Rl.(5/8/7)	Countrywd Mtg(1/9/7)		*NVRyan (3/27&6/26/7)
Koger Co.(5/9 &12/19/6)	*Western Inv.RE(6/12/7)	Lomas Mtg. Cp(9/13/5)		Oriole Hm.(3/27/7)
Prop.Tr.Amer.(5/8/7)	Offices	MDC Asset Inv.(1/9/7)		Ryland Group(3/27/7)
Sizeler Inv.(2/27/7)	HRE Props.(3/13/7)	Strategic Mtg.(3/28/6)		Std. Pacific(8/8/6)
Trammell Crow(12/19/6)	ICM Prop.Inv.(4/24/7)	Participating		Income Props.
United Dom.Rl.(5/8/7)	Koger Co.(5/9 &12/19/6)	LSN Hsg. Corp.(4/11/6)		Bay Fincl.(9/12/6)
Weingarten Rl.(5/8/7)	Koger Pr.(12/19/6)	Lincoln Rlty.(12/20/5)		Koger Prop.(12/19/6)
	Property Cap(11/7/6)	Mellon Part.Mtg		Commun.Bldrs./Land
Far West	Prudential Rl(4/24/7)	Mtg.Invest.Plus(4/24/7)		Amrep Corp.(9/12/6)
BankAm.Rl(11/7/6&6/26/7)	Southland Finc.(10/10/6)	Realty South (4/24/7)		Cousins Prop.(12/5/6)
*Copley Props.(6/12/7)	Turner Equity (4/11/6)	Rock. Ctr.Pr.(4/24/7)		Genl. Devel. (8/8/6)
*REIT of Calif.(6/12/7)	Hotels/Spec.	LEASEBACKS - INCOME		Inter. Gen.(2/27/7)
*Santa Anita Rl.(6/12/7)	Burger King Inv.(2/28/6)	Beverly Inv.(1/23/7)		Major Realty(11/21/6)
*Western Inv.Tr.(6/12/7)	Hotel Inv.(10/24/6)	Health Care REIT(1/23/7)		Newhall Land(4/10/7)

* Reviewed in June issues. Additions or changes underlined. # Recent client. Review/comment dates within last year.

ties. BRE also leased a vacant Fremont, Cal. R&D building to add 5¢ sh. to annual EPS. Ending the tie to its major bank sponsor should be positive by lowering operating costs and increasing flexibility. Shares at about 13% below current value remain good value.

--**American Realty Trust** completed a \$45 mil. rights offering that wound up selling 12.1 mil. shs. at \$3.75/sh. ARB will become a mortgage REIT. Southmark Corp. reduced its ARB stake from 84% to 42% in the offering.

--**Mortgage Investments Plus**, a participating mortgage REIT, said its joint venture partner leased a 125,600 sq. ft. Bakersfield, Calif. building to a single tenant, bringing overall occupancy for completed properties it has financed to 79%. Shs. remain attractive.

--**Patten Corp.**, Vermont based seller of unimproved land parcels, agreed with Prentice & Carlisle, major Maine landowner, to sell 1,500 acres of P&C land, including 8.5 miles of waterfront. PAT expects improved margins on the land. PAT also sold \$40 mil. of convertible debentures in May to finance land.

--**U.S. Home Corp.** sold \$100 mil. 12.375% senior subordinated debentures due 1996 in late May, using proceeds to retire 10% senior notes due in Aug. and bolster working capital. Coupled with previous restructurings, the sale reduces debt maturities over the next three years and gives UH public debt an average 8.5 year maturity. This should speed UH's recovery (RSR, Apr. 10).

RANKING REVIEWS: TWO REITS WITH SPLIT CAPITALIZATION SEEK INVESTOR FAVOR

Dual capitalizations, popular in the late 1960s and early 1970s, are coming into vogue again. On the ASE a spate of "Americus Trust" shares have been listed. Americus Trusts are vehicles in which shareholders swap blue chip stocks for units separating income from price appreciation components. The idea is that some investors want all the income an entity can deliver while others want only capital gains. Trading in Americus Trusts for about 14 companies has been slow, however.

Three REITs have picked up varia-

tions of the idea. We reviewed **Prudential Realty Trust** April 24. Brief reviews of the others:

Duke Realty Investments, Inc. is given B Rank in our first review. Duke has been public since selling 7.5 mil. income and capital shares in Feb. 1986. The \$10 unit price was allocated \$8 to income shares (treated like an \$8 preferred) which receive all income from a real estate portfolio, and \$2 to capital shares which receive all appreciation when properties are sold in 10 yrs.

EPS/Dividends - B:

	1986A*	1987E	3 Yr.%
Dist.Cash/Inc.Sh...	\$0.727	\$0.80	NM
Net Loss/Cap.Sh...d	\$0.143	\$0.18	NM
Dividends/Cap.Sh...	\$0.73	\$0.80	NM

* 10-1/2 months.

DKE's capital share payout was 80% tax-free return of capital in 1986, due to a master lease on vacant space to the sponsor which acts as a purchase price reduction. The tax deferral will fall to 50%-55% in 1987 and stabilize at 30%-35% in 1988 and thereafter.

Assets and Operations: DKE owns properties in Indianapolis, Cincinnati and Decatur/Champaign, Ill. Properties are 507,800 sq. ft. office (56% of cost, 62% of revenues, about 90% occupied); industrial of 324,171 SF (17% of cost, 18% of revenues, about 88% occupied); and retail of 232,150 SF (27% of cost, 20% of revenues, 91%-92% occupied).

Financial Measures - A: Debt of \$6.9 mil. is 0.14 times combined equity. Management owns about 20% of shares.

Current Value: Appraisals put capital shares at \$1.28/sh. current value.

Exposure - B: DKE has a good mix of long leases to prime tenants and shorter leases to smaller tenants. Sponsors have long experience in Midwestern markets, which are less overbuilt. Management projects a 6%-7% rent growth factor translating into capital share values of \$8-\$11 in 1996. If achieved, capital shares would yield 24% annual return and units 18% over 9 years left.

Sierra Capital Realty Trust VI listed 3.53 mil. common and 3.78 mil. preferred on the ASE May 12 under symbols SZF and SZFPr. SZF raised \$73 mil. in a best efforts offer ended Apr. 30.

It is the fifth finite-life REIT sponsored by Sierra Capital, San Francisco.

EPS/Dividends: SZF is just acquiring its properties and has no operations. However SZF is paying monthly distributions at 70¢ and 60¢ annual rate on preferred and common (5.83¢ and 5¢ monthly) and expects to continue this ratio thru 1988. SZF is structured to make preferred shs. attractive to tax-exempt institutions and common attractive to individuals, as follows:

Preferred shs. have a non-cumulative current distribution preference giving them the lesser of 6% on stated value or all earnings from the prior year. This is expected to make distributions fully taxable (only 40.2% taxable in 1986).

Common payout is expected to be nearly 100% taxfree return of capital for the near-term, and primarily suitable for individuals seeking tax shelter.

Assets and Operations: Thru Mar. 31 SZF had acquired (a) 14 industrial buildings with 943,000 SF in the Chicago area for \$23 mil. or \$24.40/SF; they are 94% leased; (b) seven office and warehouse buildings in Cherry Hill and Pennsauken, N.J. for \$9.6 mil. or \$61.73/SF; and (c) a 50% interest in 17 Dallas industrial buildings with 660,000 SF (92% occupied) for \$11.5 mil., the latter being acquired from affiliated Sierra Capital Realty Trust IV.

Financial Measures: SZF has \$2.3 mil. mortgage debt and intends leveraging to approx. 50% of cost. SZF has 1.52 and 1.75 mil. wts. to buy common and preferred respectively at \$9.50.

RANKING REVIEWS: TWO INVESTMENT BUILDERS CREATING VALUES IN MALLS AND MULTI-USES

Rouse Company stands at A Rank, unchanged. This premier developer of suburban mall centers and urban festival centers continues growth. **EPS/Dividends - A:**

	1985A	1986A	1987E	3 Yr.%
EPS/Oper..	\$0.23	\$0.35	\$0.50	47.0%
CFS/Oper..	\$0.65	\$0.88	\$1.00-05	25.6%
Dividend..	\$0.36	\$0.40	\$0.48	15.5%

Adj. for 3-for-2 split June 10.

Operating net cash flow from continuing operations as computed by Audit is after mortgage principal payments (or equity buildup) of 19¢ sh. in 1986.

Over the past five years, gross cash flow per sh. before mortgages and tax accruals rose at 22.2% annually.

Operations: Earnings from operating properties before noncash charges rose 16% to \$39.9 mil., resuming growth after a slow 1985 hurt by start-up losses. Gains on land sales at Columbia, after 1985 acquisition of Howard Research & Development Corp. under purchase accounting, leaped 389% to \$19.75 mil., reflecting strong demand. Revenues rose 38% to \$340 mil. and earnings before noncash charges rose 33% to \$50 mil.

Assets: ROUS signifies shopping centers to most investors but with acquisition of HRD (Columbia) for \$120 mil. in 1985, ROUS resumes its dual role as shopping center and community developer. Including Columbia, ROUS has interests in 68 shopping centers with 40.5 mil. sq. ft. including anchor tenants, easily the largest shopping center portfolio available to public investors. ROUS both manages centers owned by others and owns, either partly or wholly, some centers, the portfolio being as follows in millions of sq. ft. (MSF):

	W/anchors	Mall only
Columbia-wholly owned..	1.3MSF	1.3MSF
Other wholly owned(22).	12.3 "	5.5 "
Partly owned (28).....	21.1 "	9.2 "
Managed for others(12).	5.9 "	2.9 "

ROUS centers are widely diversified geographically and include both older suburban centers and newer urban centers catering both to tourist and downtown shoppers. Projects opened last year added 1.0 mil. SF. Five projects planned for 1987 will add 490,000 SF retail and 662,000 SF office in Miami (Bay-side); Harborplace expansion (Baltimore); Jacksonville; and Columbia.

Financial Measures - A: Total debt of \$1.04 bil. is 13 times the \$80.2 mil. shareholders' equity at cost (equal to \$4.78/sh. including \$143 mil. accumulated depreciation). Debt is 0.9 times \$1.12 bil. equity at current value.

Current value: Current appraised value of shareholders equity rose 20% to \$24.04/sh. ROUS historically has sold above this value in the next year.

Exposure - A: ROUS today is unquestioned leader in developing complex and demanding urban centers, with only Fo-

rest City Enterprises a player among public companies. The strategy has given ROUS a major stake in centers with near-monopoly positions because of central locations and community support. By resuming full development of the new town of Columbia, ROUS adds land sales potential in a growing community between Baltimore and Washington. In May ROUS announced it will manage and participate in two separate institutional funds providing \$600 mil. for land and property acquisition.

Forest City Enterprises Inc. maintains B Rank in our review. This Cleveland-based real estate company sold its retailing division in Jan. to focus on major property development. The controlling Ratner family continues to own 69% of Cl. B shares, which elect 75% of directors, and also holds a majority of Cl. A shs.

EPS/Dividends - B: (Jan. years):

	1986A	1987A	1988E	3 Yr.%
EPS/Oper..	\$0.59	\$1.15	\$1.25	45.6%
CFS/Oper..	\$2.60	\$3.28	\$3.50	16.0%
Dividends.	\$0.30	\$0.30	\$0.30	0.0%

Dividends for Cl. A stock.

FCE's operating earnings above are before 49¢ equity in property disposition gains by wholly owned but un-consolidated Forest City Rental Properties and income from discontinued lines. FCE reported operating net cash flow of \$3.99/sh. in 1987, up 22%; FCE includes 70¢ mortgage amortization (equity build-up) in its cash flow but Audit subtracts this item in its statistics.

Assets and Operations: FCE began redirecting its energies five years ago into becoming a vertically integrated real estate development and investment company seeking to invest in intermediate to large size urban projects where locations, design, and financing provide unique opportunities for appreciation. In doing so FCE has become a major player in developing multi-use urban projects requiring close cooperation with cities, institutions, and communities.

During FY 1987 FCE added eleven major properties, including mall shopping centers in Arlington, Va. and Victorville, Cal. with 752,000 SF; expansion of Flint, Mich. mall; mixed-use project in Pittsburgh with 90,000 net

SF; plus one office and three apartments with 445 DU. FCE also bought 2,802 DU at Parklabrea apartments in Los Angeles from May Co. for \$201 mil. and will manage remaining 117 acres in a 50-50 joint venture. Seven major projects are underway for 1988. FCE owns interests (generally 50%) in 16 regional malls with 6.9 mil. net SF; four hotels; eight mixed use and office projects with 1.4 mil. SF; and net 8,337 apartments.

Financing - B: Total parent debt of \$105 mil. is 1.3 times shareholders' equity of \$81.3 mil. or \$21.04/sh. including Rental Properties depreciation. Rental Properties has \$690 mil. debt, nearly all non-recourse mortgages secured by properties. While FCE doesn't estimate current value, we believe that Rental Properties' \$24.6 mil. net cash flow (including deferrals) would be capitalized at 6%-9%, making the unit worth \$34-\$51 per share vs. \$9.30 book.

Exposure - B: FCE is seeking to develop a portfolio of major urban properties with some insulation from competition because of their location, design and financing. The major risk is in pioneering locations that are too early for strong market acceptance.

APPRAISED ASSET VALUE COMPARISONS			
	DATE	APPRAISED VALUE/ SHARE	% PRICE TO APP. VALUE
QUALIFIED REITS			
BANKAMER REALTY	7/86	\$34.50a	-14.5%
COPLEY PROPS	12/86	\$21.10	-11.1%
DUKE RLTY-CAPITAL	12/86	\$ 1.28	-21.9%
EQK RLTY INV I #	12/86	\$18.46	-24.8%
INTL INCOME PR#	12/86	\$15.62	-2.4%
JMB REALTY	8/86	\$18.66	-7.6%
NATL CAPITAL RE	12/86	\$ 3.75	-40.0%
NEW PLAN RLY TR#	7/86	\$14.01	23.1%
PRU RL CAPITAL #	12/86	\$ 2.39	-37.2%
SANTA ANITA	12/86	\$28.16	13.6%
SIERRA RE EQ83#	12/86	\$10.52	-9.7%
SIERRA RE EQ84#	12/86	\$ 8.44	-17.1%
TRAML CROW REI#	12/86	\$13.48	-12.8%
USP RL EST INV#	12/86	\$12.48	-23.9%
WELLS FARGO M&E	6/86	\$30.22a	-40.0%
AVERAGE			-15.1%
OPERATING COMPANIES			
BAY FINCL CORP	5/86	\$45.20	-49.7%
KOGER CO#	3/87	\$20.65	59.2%
NEWHALL INV PROP	3/87	\$12.93	-32.3%
NEWHALL LAND	12/86	\$32.25	-1.9%
PERINI INV PR#	3/87	\$21.54	-28.6%
ROUSE CO#	12/86	\$24.04	-1.2%
SAUL (BF) REIT#	9/86	\$27.12	-41.0%
SOUTHWEST RLTY#	12/86	\$14.20	-84.2%
UNICORP AMER	12/86	\$17.66	-33.5%
AVERAGE			-23.7%

Appraised market values of net assets (i.e., properties held) are reported publicly by companies. Values are estimated by management and concurred in by independent appraisers except for: Koger Co. values set by independent appraisers; New Plan Realty, management estimate only. Share values are fully diluted. a-Entity has not revalued mortgages.

RANK	NAME(REVIEW DATE)	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE FROM-- JUN 09	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BK%	MKT VAL MIL \$		
*	AMER HEALTH PROPS (02/27/87)	NY-AHE	1	11086	18.51	2.00	MAR 1.64	17.50	8.5	-12.5	10.7	11.4	-5.5	8.9	194.0	
C	AMERICAN REALTY (12/05/86)	AS-ARB	3	9697	7.26	2.50	MAR 0.47 D	5.25	13.5	31.3	11.2	47.6	-27.7	6.5	50.9	
C	AMERICANA HOTEL (06/12/87)	NY-AHR	2	5702	15.39	0.00	MAR -0.37 U	12.63	0.0	20.2	0.0	0.0	-18.0	-2.4	72.0	
A	BANKAMER REALTY (11/07/86)	NY-BRE	2	7870	17.568	2.40	APR 2.09	29.50	0.0	-1.3	14.1	8.1	68.0	11.9	232.2	
*	BEVERLY INV PROP# (12/20/85)	NY-BIP	1	8195	19.27	2.24	DEC 2.20	22.50	0.6	-10.9	10.2	10.0	16.8	11.4	184.4	
*	BODDIE-NOELL PROP (05/22/87)	AS-BNP	1	2850	10.93	1.20	---	0.00	11.38	0.0	-5.2	0.0	10.5	4.1	0.0	32.4
A	BRADLEY RL EST (06/28/85)	OC-BRLYS	1	3360	2.01	0.68	FEB 0.49	14.75	0.0	32.1	30.1	4.6	633.8	24.4	49.6	
B	BRT REALTY (10/10/86)	AS-BRT	3	4855	13.67	2.08	U MAR 2.08	18.13	2.1	19.8	8.7	11.5	32.6	15.2	88.0	
B	P-CALIF JOCKEY CLUB (11/21/86)	AS-CJ	1	5637	4.39	0.95	U MAR 0.90	20.25	-5.8	0.0	22.5	4.7	361.3	20.5	114.1	
C	CALIFORNIA REI (06/12/87)	NY-CT	1	5015	8.20	0.60	MAR -0.13	6.38	0.0	-44.0	0.0	9.4	-22.3	-1.6	32.0	
F	F-CEDAR INCOME FD I (01/09/87)	OC-CEDR	1	1440	8.66	0.64	MAR 0.57	8.50	0.0	6.3	14.9	7.5	-1.8	6.6	12.2	
*	CENTRAL REALTY (06/12/86)	OC-CMRT	2	1977	0.55	0.00	MAR -0.16 U	0.38	0.0	-20.0	0.0	0.0	-31.8	-29.1	0.7	
C	CENVILL INVSTR (04/11/86)	NY-CVI	2	7007	13.20	2.20	MAR 2.17	19.88	-1.2	5.3	9.2	11.1	50.6	16.4	139.3	
B	CHICAGO DOCK&CANL (10/24/86)	OC-DOCKS	1	5784	6.73	0.24	D JAN 1.76	30.25	-7.6	39.1	17.2	0.8	349.5	26.2	175.0	
C	CLEVERTHUS RLT# (02/13/87)	OC-CTRIS	2	2012	17.99	1.00	DEC 0.88	10.75	-8.5	-14.0	12.2	9.3	-40.2	4.9	21.6	
C	COMMONWTH RLT# (06/12/86)	OC-CRTY2	1	1468	10.95	0.50	AUG 1.76	14.00	7.7	3.7	8.0	3.6	27.9	16.1	20.6	
*	F-CONSOL CAP INCOME (04/11/86)	OC-CCITS	2	12663	18.84	2.40	S MAR -0.42 D	11.75	-13.0	-5.1	0.0	20.4	-37.6	-2.2	148.8	
B	CONSOL CAP RLT# (02/13/87)	OC-CCPLS	2	5966	7.91	0.25	FEB 0.83	3.75	7.1	7.1	4.5	6.7	-52.6	10.5	22.4	
*	F-CONSOL CAP SPECTL (04/11/86)	OC-CCSTS	2	11486	15.37	2.16	S MAR -0.99 D	8.38	-8.2	1.5	0.0	25.8	-45.5	-6.4	96.2	
*	COPELY PROPS (06/12/87)	AS-COP	2	4008	18.268	1.68	MAR 1.25	18.75	-3.8	-5.1	15.0	9.0	2.7	6.8	75.2	
*	COUNTRYWIDE MTG (01/09/87)	NY-CWM	3	7745	11.50	1.60	MAR 2.15	12.50	-2.9	-30.6	5.8	12.8	8.7	18.7	96.8	
A	COUSINS PROPS (12/05/86)	OC-COUS	1	17166	6.42	0.40	MAR 1.81	14.88	2.6	14.4	8.2	2.7	131.7	28.2	255.3	
F	F-CPL REIT # (01/24/86)	OC-CHTRS	1	1737	8.85	1.04	MAR 1.14 S	6.25	4.2	-30.6	5.5	16.6	-29.4	12.9	10.9	
*	F-CRI INS MTG # (07/25/86)	NY-CII	3	8536	18.65	2.91	SEP 1.67	18.00	-0.7	-12.2	10.8	16.2	-3.5	9.0	153.6	
B	DEL-VAL FINCL (06/12/86)	AS-DVL	3	3105	9.56	1.80	U MAR 1.79 D	20.25X	2.0	5.2	11.3	8.9	111.8	18.7	62.9	
*	DIAL REIT INC # (01/09/87)	OC-DEAL	1	1738	18.24	1.60	MAR 1.84	18.63	-3.2	-3.2	10.1	8.6	2.1	10.1	32.4	
B	F-DUKE RLT#-CAPITAL (06/26/87)	NY-DRE	1	7520	0.588	0.00	---	0.00	1.00	-11.1	0.0	0.0	72.4	0.0	7.5	
B	F-DUKE RLT#-INCOME# (06/26/87)	NY-DREPR	1	7520	8.00	0.81	MAR 0.82	7.50	5.3	-11.8	9.1	10.8	-6.3	10.3	56.4	
A	EASTGROUP PROPS (03/13/87)	AS-EGP	1	2655	19.50	2.60	S MAY 2.51 D	28.25	0.4	1.8	11.3	9.2	44.9	12.9	75.0	
B	EASTOVER CORP (06/12/86)	OC-EASTS	2	1258	14.28	1.60	S MAR 1.55	16.50	1.5	-10.2	10.6	9.7	15.5	10.9	20.8	
*	F-EQK RLT# INV I # (05/08/87)	NY-EKR	1	7589	15.568	1.66	DEC 1.53	13.88	0.9	-7.5	9.1	12.0	-10.8	9.8	105.3	
A	FEDERAL REALTY# (05/08/87)	NY-FRT	1	12226	9.53	1.08	MAR 1.79	22.00X	-1.6	10.7	12.3	4.9	130.9	18.8	269.0	
C	FIRST CONTNL REIT (08/23/85)	OC-FCRES	3	4103	6.67	0.00	NOV -2.58	3.50	3.7	19.1	0.0	0.0	-47.5	-38.7	14.4	
A	FIRST UNION RE# (03/13/87)	NY-FUR	1	18128	8.87	1.50	S MAR 1.67 D	27.00	0.0	8.0	16.2	5.6	204.4	18.8	489.5	
*	GOLDEN CORRAL # (04/11/86)	OC-GCRA	1	1480	9.29	1.25	MAR 1.25 S	10.00	0.0	-13.0	8.0	12.5	7.6	13.5	14.8	
*	F-GRUB&ELLIS REIT (06/13/86)	OC-GRIT	4	2500	9.16	0.88	MAR 0.95	8.00	3.2	-9.9	8.4	11.0	-12.7	10.4	20.0	
*	GUILD MTG INVSTMT (07/25/86)	AS-GUM	3	3100	8.84	1.28	MAR 1.06	9.50X	-0.6	-18.3	9.0	13.5	7.5	12.0	29.5	
*	HARRIS-TETER PRP# (08/22/86)	AS-HTP	2	2505	8.97	0.96	S SEP 0.90	9.38	1.4	-12.8	10.4	10.2	4.5	10.0	23.5	
A	HEALTH CARE PR# (04/11/86)	NY-HCP	1	8146	21.52	2.44	MAR 2.54	27.50	8.9	-5.6	10.8	8.9	27.8	11.8	224.0	
A	HEALTH CARE REIT (08/09/85)	AS-HCN	3	5608	11.58	1.68	MAR 1.57	16.88	1.5	2.3	10.7	10.0	45.7	13.6	94.6	
*	HEALTHVEST # (06/27/86)	AS-HVT	1	11558	19.46	2.24	MAR 2.23	20.38	-3.0	-3.0	9.1	11.0	4.7	11.5	235.5	
*	HLTH & REHAB PROP (12/19/86)	NY-HRP	2	3418	18.56	2.20	MAR 1.76	19.75	5.3	1.9	11.2	11.1	6.4	9.5	67.5	
C	HMG PROP INV (06/12/86)	AS-HMG	1	1212	14.87	0.60	MAR -0.94 U	9.88	9.7	8.2	0.0	6.1	-33.6	-6.3	12.0	
B	P-HOLLYWOOD PK RLT# (11/16/84)	OC-HTRFZ	1	3824	7.09	1.60	DEC 0.92	29.00	-3.3	8.4	31.5	5.5	309.0	13.0	110.9	
B	P-HOTEL INVESTORS# (06/12/86)	NY-HOT	1	11670	17.46	2.00	FEB 2.42 U	22.25	-1.7	0.0	9.2	9.0	27.4	13.9	259.7	
A	HRE PROPERTIES (03/13/87)	NY-HRE	1	5941	23.22	1.80	S APR 1.73 D	22.88X	-1.8	-14.5	13.2	7.9	-1.5	7.5	135.9	
B	ICM PROP INVSTR (04/24/87)	NY-ICM	2	5761	17.77	1.60	MAR 0.56	14.88	-1.7	1.7	26.6	10.8	-16.3	3.2	85.7	
A	INTL INCOME PR# (05/08/87)	AS-IIP	1	11353	8.798	1.04	MAR 0.67 U	15.25	2.5	13.0	22.8	6.8	73.5	7.6	173.1	
*	INVG MTG SECS @ (03/14/86)	OC-INVG	3	682	31.56	2.00	SEP 2.99	6.25	0.0	-45.7	2.1	32.0	-80.2	9.5	4.3	
A	IRT PROPERTY CO# (03/13/87)	NY-IRT	1	8034	9.85	1.28	MAR 1.29	18.88	-2.6	15.3	14.6	6.8	91.6	13.1	151.6	
B	JMB REALTY (02/13/87)	OC-JMBRS	2	1423	16.853	1.04	FEB 1.62	17.25	1.5	3.0	10.6	9.5	2.4	9.6	24.5	
F	F-JOHNSTN/CONS RLY (03/22/85)	NY-JCT	2	12280	16.16	1.70	S MAR 0.49 D	12.75	-1.0	4.1	26.0	13.3	-21.1	3.0	156.6	
B	L&N HOUSING (04/11/86)	NY-LNC	4	2200	23.39	1.46	MAR 1.99	18.25	0.7	-31.1	9.2	8.0	-22.0	8.5	40.2	
*	F-LANDSING INST V (12/06/85)	OC-LANVS	2	5680	7.58	0.00	D MAR -0.62 D	2.50	-9.1	-28.6	0.0	0.0	-67.0	-8.2	14.2	
*	LINCOLN NC RL FND (12/20/85)	AS-LRF	2	1998	13.36	1.48	MAR 1.24	12.75	1.0	-7.3	10.3	11.6	-4.6	9.3	25.5	
*	F-LINPRO SPCFD PROP (08/22/86)	AS-LPO	1	1856	9.27	1.90	MAR 0.99	8.13	20.4	-19.8	8.2	11.1	-12.4	10.7	15.1	
A	LOMAS & NET MTG (09/26/86)	NY-LOM	3	11704	23.50	2.53	MAR 2.43	23.25	3.3	-23.1	9.6	10.9	-1.1	10.3	272.1	
*	LOMAS MTG CORP (09/13/85)	NY-LMC	3	8700	20.46	2.52	U MAR 2.25	23.13X	2.7	-12.3	10.3	10.9	13.0	11.0	201.2	
*	MDC ASSET INVSTRS (01/09/87)	NY-MIR	3	5013	14.01	2.80	U MAR 2.96 I	18.00X	6.1	27.4	6.1	15.6	28.5	21.1	90.2	
*	MEDICAL PROPS INC (05/22/87)	AS-MPP	1	2369	12.00	1.38	S ---	0.00	9.25	0.0	-22.9	0.0	14.9	-22.9	0.0	21.9
*	MEDITRUST # (10/25/85)	OC-MTRUS	1	10721	15.22	1.76	U DEC 1.61	20.25	9.5	10.5	12.6	8.7	33.0	10.6	217.1	
B	MELLON PART MTG (02/22/85)	OC-MPMTS	4	8645	9.33	1.00	DEC 1.03	9.88	5.3	-11.2	9.6	10.1	5.8	11.0	85.4	
B	MERRY LAND & INV (02/27/87)	OC-MERY	2	6264	5.17	0.80	MAR 1.03	10.50	0.0	11.7	10.2	7.6	103.1	19.9	65.8	
B	MONY RL EST INV (11/07/86)	NY-MYM	2	10393	9.43	0.72	S MAY 0.69 D	8.38	1.5	-21.2	12.1	8.6	-11.2	7.3	87.0	
A	MORTGAGE GROWTH (03/13/87)	AS-MTG	2	7704	15.98	1.60	S MAY 1.62 U	21.25X	9.6	-3.4	13.1	7.5	33.0	10.1	163.7	
*	MSA REALTY CORP (03/14/86)	AS-SSS	1	8501	8.57	1.00	S MAR 0.40 D	10.38	-1.2	-1.2	25.9	9.6	21.1	4.7	88.2	
A	MTG & RLT# TRUST (02/13/87)	NY-MRT	2	10453	16.90	1.88	MAR 1.78	18.88	0.7	-16.1	10.6	10.0	11.7	10.5	197.3	
C	MTG INVSTMS PLUS (04/24/87)	AS-MIP	4	9020	8.94	0.80	S MAR 0.67	7.00	-5.1	-9.7	10.4	11.4	-21.7	7.5	63.1	
C	NATL CAPITAL RE (04/26/85)	OC-NCETS	1	3645	3.288	0.00	DEC 0.13 U	2.25	-5.3	0.0	17.3	0.0	-31.4	4.0	8.2	
A	NEW PLAN RLY TR# (12/05/86)	NY-NPR	1	26598	5.258	0.84	JAN 0.81	17.25	7.0	23.2	21.3	4.9	228.6	15.4	458.8	
F	F-NOONEY RLT# TR# (04/11/86)	OC-NRTI	1	867	17.05	0.80	MAR 0.92 D	14.50X	1.4	-4.9	15.8	5.5	-15.0	5.4	12.6	
B	ONE LIBERTY PR# (06/12/87)	AS-OLP	1	2203	14.18	1.32	MAR 1.51 D	14.63	-0.8	-10.0	9.7	9.0	3.1	10.6	32.2	
*	PAINWEBER RES RLY (02/28/86)	AS-PWM	3	6058	9.19	1.00	S DEC 1.06	8.88	7.6	-4.1	8.4	11.3	-3.4	11.5	53.8	
A	PENN REIT# (12/05/86)	AS-PEI	1	8144	10.17	1.52	FEB 1.65	25.75	-1.4	23.1	15.6	5.9	153.2	16.2	209.7	
B	PITTS & WVA RR (06/12/86)	AS-PW	1	1510	6.07	0.54	MAR 0.56	5.88	-4.1	-6.0	10.5	9.2	-3.2	9.2	8.9	
B	PRESIDENTL RL-A# (08/09/85)	AS-PDLA	2	479	2.89	1.32	DEC 1.67	13.50	-0.9	1.9	8.1	9.8	367.1	57.8	6.5	
B	PRESIDENTL RL-B# (08/09/85)	AS-PDLB	2	2786	2.89	1.32	DEC 1.67	13.25	1.0	9.3	7.9	10.0	358.5	57.8	36.9	
A	PROPERTY CAPITAL (11/07/86)	AS-PCT	2	9309	13.10	1.67	APR 2.92	25.00	1.0	3.6	8.6	6.7	90.8	22.3	232.7	
A	PROPERTY TR AMER# (05/08/87)	OC-PTRAS	1	5062	10.65	0.80	MAR 1.02 D	9.63	4.1	2.7	9.4	8.3	-9.			

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RANK	NAME(REVIEW DATE)	EXCH/ SYMBOL GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE JUN 09	FROM- JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BKZ	MKT VAL MIL \$	
* VMS	STRATGIC LAND (05/22/87)	OC-VLANS	4	11994	8.91	1.20	DEC 0.20	10.38	-1.2	3.8	51.9	11.6	16.4	2.2	124.4
A	WASH RE (WRT)# (05/08/87)	AS-WRE	1	9182	8.90	1.28	MAR 1.29 U	26.00	3.0	16.2	20.2	4.9	192.1	14.5	238.7
* F-WEBB	INS MTG 84 (08/23/85)	AS-DWP.A	1	2224	8.92	0.45	MAR 0.62 D	6.38	-1.9	-16.4	10.3	7.1	-28.5	7.0	14.2
* WEDGESTONE	RLTY (05/08/87)	AS-WDG	3	5288	9.03	1.80	S MAR 1.80	15.25X	-0.6	-2.4	8.5	11.8	68.9	19.9	80.6
B	WEINGARTEN RLY# (05/08/87)	NY-WRI	1	13846	12.93	1.60	MAR 1.97 U	27.25	0.9	27.5	13.8	5.9	110.8	15.2	377.3
B	WELLS FARGO M&E (11/07/86)	NY-WFM	2	6665	19.78\$	2.00	MAR 2.04	18.13	0.0	-35.8	8.9	11.0	-8.4	10.3	120.8
A	WESTERN INV RE# (06/12/87)	AS-WIR	1	11969	13.08	1.14	MAR 1.23 U	18.50	0.0	7.8	15.0	6.2	41.4	9.4	221.4

COMPANIES AND BUSINESS TRUSTS

C	ABRAMS INDS INC	OC-ABRI	9	1787	8.55	0.24	S APR 0.56 D	7.50	7.1	0.0	13.4	3.2	-12.3	6.5	13.4
C	AMER COMMUNITY DEV	OC-ACDG	6	3020	3.29	0.00	OCT -2.28	0.50	-42.9	-57.9	0.0	0.0	-84.8	-69.3	1.5
* LP-AMER INS MTC 84	(01/24/86)	OC-AIMAZ	8	10000	19.48	1.44	DEC 1.95 D	17.75	0.0	-11.3	9.1	8.1	-8.9	10.0	177.5
C	AMER PACESETTER	PS-ABCP	9	1465	13.59	0.50	DEC 2.29	17.00	-5.6	24.8	7.4	2.9	25.1	16.9	24.9
C	AMERIBANC INV GP	OC-AINVS	9	6123	8.19	0.20	MAR 1.41	10.50	5.0	27.3	7.4	1.9	28.2	17.2	64.3
C	AMREP CORP	NY-AXR	6	6595	8.03	0.00	JAN 1.07	12.63	1.0	-1.0	11.8	0.0	57.2	13.3	83.3
C	ANGELES CORP	AS-ANG	10	3481	4.96	0.00	MAR -0.13 U	10.13	5.2	24.6	0.0	0.0	104.1	-2.6	35.2
* LP-ANGELES FINC PTNRS	(01/24/86)	AS-ANF	8	1051	18.20	1.91	U DEC 1.86	17.63	-1.4	3.7	9.5	10.8	-3.2	10.2	18.5
* LP-ANGELL CARE MIP	(01/23/87)	NY-ACR	7	3550	14.30	1.52	DEC -0.38	13.75	-1.8	-2.7	0.0	11.1	-3.8	-2.7	48.8
B	RAY FINCL CORP	NY-BAY	7	3351	16.928	0.20	FEB -0.81	22.75	-4.2	-7.1	0.0	0.9	34.5	-4.8	76.2
C	BEI HOLDINGS	OC-BETH	9	10337	3.85	0.06	I JAN 0.25	9.00	7.5	-6.5	36.0	0.7	133.8	6.5	93.0
D	BRITISH LAND AMER	NY-BLA	7	17971	2.13	0.00	MAR -0.36	3.13	0.0	-3.8	0.0	0.0	46.7	-16.9	56.2
* LP-BURGER KING INV	(02/28/86)	NY-BKP	7	4635	18.58	1.88	MAR 1.38	17.63	-6.0	-14.0	12.8	10.7	-5.1	7.4	81.7
* LP-CAL FED INC PTNRS	(12/19/86)	NY-CFI	7	12500	9.29	1.00	MAR 0.24	8.75	-5.4	-17.6	36.5	11.4	-5.8	2.6	109.4
C	CALPROP CORP	AS-CPP	6	3447	8.71	0.00	MAR 0.75	8.88	-1.4	10.9	11.8	0.0	1.9	8.6	30.6
C	CALTON INC	NY-CN	6	19298	3.46	0.00	FEB 0.82	9.88	5.3	75.6	12.0	0.0	185.4	23.7	190.6
* CASTLE & COOKE	(09/12/86)	NY-CKE	9	47118	9.72	0.00	DEC 0.56	24.38	-2.5	26.6	43.5	0.0	150.8	5.8	1148.5
A	CENTEX CORP	NY-CTX	5	17747	20.41	0.25	S MAR 2.47	27.75	-0.4	-11.2	11.2	0.9	36.0	12.1	492.5
C	CHAMPION HOME	AS-CHB	11	36179	1.43	0.00	MAY -0.02 U	1.63	0.0	-3.7	0.0	0.0	13.6	-1.4	58.8
D	CHRISTIANA COS	NY-CST	6	2851	7.54	0.00	MAR -0.77 D	6.63	1.9	29.3	0.0	0.0	-12.1	-10.2	18.9
C	CITIZENS GROWTH	OC-CITGS	9	499	16.50	0.00	APR 1.09 U	11.38	-1.1	-20.2	10.4	0.0	-31.1	6.6	5.7
C	CLAYTON HOMES	NY-CMH	11	12870	4.23	0.00	MAR 0.69	10.38	-4.6	7.0	15.0	0.0	145.3	16.3	133.5
* LP-CMNLTH MTC AM-A	(11/21/86)	NY-CMA	8	35000	2.13	1.00	D MAR 0.33	8.88	4.4	-9.0	26.9	11.3	316.7	15.5	310.6
C	COMMONWLT MTC CO	OC-CMC	8	6220	3.77	0.00	APR 1.22 U	7.88	-1.6	-7.4	6.5	0.0	108.9	32.4	49.0
B	CONGRESS ST PROPS	OC-CSTP	9	1262	13.06	0.00	FEB 1.24	10.50	13.5	5.0	8.5	0.0	-19.6	9.5	13.3
C	CONTL RMS HOLDING	OC-COHH	6	3700	3.79	0.00	MAY 1.58 D	8.75	2.9	-23.9	5.5	0.0	130.9	41.7	32.4
B	COUNTRYWIDE CRDIT	NY-CCR	8	15371	5.25	0.32	I FEB 1.26	13.13X	5.6	8.2	10.4	2.4	150.0	24.0	201.7
E	COVINGTON TECH	OC-COVT	6	13902	0.51	0.00	MAR 0.08	1.00	-11.1	45.3	12.5	0.0	96.1	15.7	13.9
B	LP-CRI INS MTC INV	NY-CRM	8	9100	17.87	1.98	S MAR 2.35 D	20.75	1.8	-10.8	8.8	9.5	16.1	13.2	188.8
D	DELTONA CORP	NY-DLT	6	5574	4.39	0.00	MAR -0.02	5.75	0.0	12.2	0.0	0.0	31.0	-0.5	32.1
* LP-EMERALD HOMES LP	(05/22/87)	NY-EHP	6	5225	5.42	1.20	S MAR 1.31	9.50	-1.3	-5.0	7.3	12.6	75.3	24.2	49.6
* LP-EQK GRN ACRES LP#	(08/22/86)	NY-EGA	7	10173	9.11	1.10	U MAR 1.04	10.88	3.6	3.6	10.5	10.1	19.4	11.4	110.6
* LP-EQUITABLE RE SC	(01/23/87)	NY-EQM	7	10700	9.25	1.00	S --- 0.00	9.75	5.4	-3.7	0.0	10.3	5.4	0.0	104.3
A	EQUITEC FNCL GP	NY-EFG	10	4916	5.33	0.16	S APR 0.95 U	8.00	0.0	20.8	8.4	2.0	50.1	17.8	39.3
B	FAIRFIELD COMM	NY-FCI	6	10641	9.44	0.00	MAR -1.49	5.75	-2.1	-29.2	0.0	0.0	-39.1	-15.8	61.2
C	FARRAGUT MTC CO	OC-FARR	8	5150	2.05	1.00	MAR 0.68 D	5.75	-14.8	-11.5	8.5	17.4	180.5	33.2	29.6
C	FED NATL MTC	NY-FNM	8	81852	22.77	0.32	MAR 2.72	40.63	1.9	-0.3	14.9	0.8	78.4	11.9	3325.2
B	FIRST CAROLINA	OC-FCARS	9	797	30.24	0.50	MAR 3.20	31.50	1.6	6.8	9.8	1.6	4.2	10.6	25.1
A	FLEETWOOD ENTER	NY-FLE	11	23307	13.14	0.60	U APR 1.70 U	27.13	6.4	6.9	16.0	2.2	106.4	12.9	632.2
B	FOREST CITY-A#	AS-FCE.A	7	4056	21.04	0.34	U JAN 2.60 D	36.75	0.0	22.0	14.1	0.9	74.7	12.4	149.1
B	FOREST CITY-B#	AS-FCE.B	7	3893	21.04	0.22	D JAN 2.60 D	36.50	-0.7	17.3	14.0	0.6	73.5	12.4	142.1
* LP-FORUM RET PFD UN#	(01/23/87)	AS-FRL	7	5750	10.68	1.35	MAR 0.04	11.88	0.0	-6.9	296.9	11.4	11.2	0.4	68.3
C	FFA CORP	AS-FPO	6	3995	12.14	0.00	MAR -0.87 D	9.75	0.0	-2.5	0.0	0.0	-19.7	-7.2	39.0
D	GEMCRAFT INC	OC-GEHM	6	5028	1.96	0.00	MAR -1.04 D	4.25	17.2	-39.3	0.0	0.0	116.8	-53.1	21.4
B	GENERAL DEVLPMT	NY-GDV	5	10500	14.44	0.00	MAR 2.60	18.63	0.7	6.4	7.2	0.0	29.0	18.0	195.6
C	GENERAL HOMES	NY-GHO	5	15009	10.06	0.00	MAR 0.21	6.75	0.0	-6.9	32.1	0.0	-32.9	2.1	101.3
A	LP-GOULD INVSTRS LP	AS-GLP	7	1339	6.83	0.00	MAR 0.23 D	48.50	-3.0	21.3	210.9	0.0	610.1	3.4	64.9
B	GRUBB & ELLIS	NY-GBE	10	15606	5.22	0.00	DEC -0.12	6.25	13.6	22.0	0.0	0.0	19.7	-2.3	97.5
B	HALLWOOD GROUP	NY-HWG	9	4555	16.34	1.12	APR 3.82 U	24.88	7.0	32.7	6.5	4.5	52.2	23.4	113.3
C	HAMMOND CO	OC-HICO	8	2117	4.99	0.00	MAR 0.77	6.25	4.2	25.0	8.1	0.0	-25.3	15.4	13.2
D	HOMAC INC	OC-HOMC	6	2675	5.33	0.00	MAR -0.30	2.88	-11.5	-14.8	0.0	0.0	-46.1	-5.6	7.7
C	HOVNANTH ENTR	AS-HOV	6	21251	3.14	0.00	FEB 0.88	13.50	-2.7	45.9	15.3	0.0	329.9	28.0	286.9
D	INDIANA FNCL INV	OC-IFII	7	974	9.38	0.00	MAR 0.33 D	6.25	-3.8	4.2	18.9	0.0	-33.4	3.5	6.1
C	INTEGRATED RESC	NY-IRE	10	7653	14.09	0.00	MAR 1.32 U	26.63	0.5	22.4	20.2	0.0	89.0	9.4	203.8
C	INTERGROUP CORP	OC-INTG	7	1201	13.24	0.00	SEP 0.12	12.00	-4.0	0.0	100.0	0.0	-9.4	0.9	14.4
B	LP-INTERSTATE GEN CO	AS-IGC	7	9900	2.36	0.60	MAR 0.97 U	9.25	-5.1	2.8	9.5	6.5	291.9	41.1	91.6
* INTL AMER HOMES	(11/22/85)	OC-HOME	6	7652	3.09	0.00	MAR 0.40	5.75	-2.1	43.8	14.4	0.0	86.1	12.9	44.0
C	JOHNSTON AMER-A	AS-JAC	10	8435	2.94	0.00	FEB 0.19	3.50	-9.7	12.0	18.4	0.0	19.0	6.5	29.5
C	K&B HOME CORP	NY-KBH	5	27000	5.77	0.20	MAY 1.22 U	11.75	0.0	8.0	9.6	1.7	103.6	21.1	317.3
B	KAUFMAN & BROAD	NY-KB	9	12340	14.99	0.33	FEB 2.44	23.00	13.6	27.8	9.4	1.4	53.4	16.3	283.8
C	KNUTSON MTGE CORP	OC-KNMC	8	13825	3.04	0.40	S MAR 1.74	10.50	-4.5	16.7	6.0	3.8	245.4	57.2	145.2
A	KOGER CO#	AS-KGR	7	12280	14.78\$	2.40	MAR 2.43 U	32.88	0.4	11.0	13.5	7.3	122.4	16.4	403.7
A	KOGER PROPS#	NY-KOG	7	11252	10.14	2.60	MAR 2.49 D	28.38	0.4	-11.0	11.4	9.2	179.8	24.6	319.3
* LP-LA QUINTA MTR INF#	(11/21/86)	NY-LQP	7	3975	18.29	2.00	MAR 1.02	15.63	-2.3	-12.0	15.3	12.8	-14.6	5.6	62.1
C	LANDMARK LAND	AS-LML	9	7976	10.13	0.40	MAR 1.27 U	22.50	3.4	25.9	17.7	1.8	122.1	12.5	179.5
C	LANDMARK TECH	AS-LCO	7	12090	0.78	0.00	MAR 0.49 U	4.13	3.1	106.3	8.4	0.0	428.8	62.8	49.9
C	LEISURE+TECH	AS-LVX	6	3795	2.46	0.00	MAR 0.21 U	7.63	-7.6	45.2	36.3	0.0	210.0	8.5	28.9
B	LENNAR CORP	NY-LEN	5	8640	17.92	0.24	S FEB 1.74	26.88	-0.9	45.3	15.4	0.9	50.0	9.7	232.2
C	LEVITT CORP	AS-LVT	6	3390	7.03	0.00	MAR 0.65	9.00	12.5	-10.0	13.8	0.0	28.0	9.2	30.5
* LOAN AMER FNCL-B	(01/25/85)	OC-LAFCE	8	1987	6.58	0.00	MAR 0.95	10.50	-4.5	7.7	11.1	0.0	59.6	14.4	20.9
A	LOMAS & NET FINC	NY-LNF	8	28574	11.92	1.40	MAR 1.45	28.75	-3.0	-1.7	19.8	4.9	141.2	12.2	821.5
C	M/I SCHOTNSTN HMS	OC-MIHO	6	5965	1.83	0.00	MAR 0.71	7.50	0.0	27.7	10.6	0.0	309.8	38.8	44.7
C	MAJOR REALTY	OC-MAJR	6	6034	0.70	0.00	MAR 0.60 U	9.75	-4.9	2.6	16.3	0.0	1292.9	85.7	58.8
A	MDC HOLDINGS	NY-MDC	5	19827	9.78	0.40	S MAR 1.66	12.88	8.4	-2.8	7.8	3.1	31.6	17.0	255.3
B	MISSION WEST PR	AS-MSW	6	1542	11.75	0.32	FEB 2.65	11.75	0.0	5.6	4.4	2.7	0.0	22.6	18.1
C	NATIONAL ENTRPRS	NY-NEI	11	7133	2.69	0.00	MAR 0.23	3.75	-3.2	-11.8	16.3	0.0	39.4	8.6	26.7
C	NE MORTGAGE CO	AS-NNM	8	5643	2.63	0.20	MAR 0.82	8.00	-7.2	10.0	9.8	2.5	204.2	31.2	45.1
B	LP-NEHWALL INV PROP	NY-NIP	7	4440	3.10\$	0.90	MAR 4.71	8.75	-5.4	-5.4	1.9	10.3	182.3	151.9	38.8
A	LP-NEHWALL LAND	NY-NHL	9	20720	6.50\$	0.80	MAR 2.08	31.63	-4.2	0.4	15.2	2.5	386.5	32.0	655.3
B	LP-NRYAN L.P.	AS-NVR	5	24199	3.77	0.60	U MAR 0.55	9.75	-11.4	1.3	17.3	0.6	153.6	12.6	138.9
A	OAKWOOD INC	NY-OH	11	5731	9.68	0.08	MAR 1.21	13.63							

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RANK	NAME(REVIEW DATE)	EXCH/ SYMBOL GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE JUN 09	FROM-- JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BKX	MKT VAL MIL \$		
D	PUNTA GORDA	AS-PGA	6	2905	-0.01	0.00	MAR 1.19 U	2.63	-8.7	31.3	2.2	0.0	0.0	7.6		
C	RADICE CORP	(11/08/85) NY-RI	6	5845	5.17	0.00	MAR -3.48 D	5.38	2.4	-41.9	0.0	0.0	4.0	-67.3	31.4	
C	READING-CO	(06/13/86) OC-RDGC	7	4954	8.53	0.00	MAR 0.37	16.38	0.8	4.5	44.3	0.0	92.0	4.3	81.1	
C	REALAMERICA CO	OC-RACO	7	3497	3.22	0.00	NOV 0.04	2.50	0.0	0.0	62.5	0.0	-22.4	1.2	8.7	
* LP	RED LIONS INNS	(05/22/87) AS-RED	7	4940	18.17	1.72	I ---	0.00	18.63	6.4	-6.9	0.0	9.2	2.5	0.0	92.0
B	REDMAN INDUSTRIES	(10/10/86) NY-RE	11	9755	7.36	0.32	S MAR 0.49 U	9.50	7.0	8.6	19.4	3.4	29.1	6.7	92.7	
* LP	RETIREMNT LIV MTG	(07/25/86) OC-RLIVZ	8	1264	22.78	2.16	MAR 2.12	22.25	0.0	-3.3	10.5	9.7	-2.3	9.3	28.1	
C	RIDGEWOOD PROPS	(02/28/86) OC-RWPI	7	996	34.77	0.00	FEB 6.91 U	29.50	-1.7	18.0	4.3	0.0	-15.2	19.9	29.4	
* C	ROCKWOOD NATL	(08/23/85) PS-RNC	6	9682	2.78	0.00	MAR 0.71 U	3.75	0.0	15.4	5.3	0.0	34.9	25.5	36.3	
A	ROUSE CO#	(06/26/87) OC-ROUS	7	47568	4.84\$	0.47	MAR 1.00 U	23.75	0.3	13.5	23.8	2.0	390.7	20.7	1129.7	
A	RYLAND GROUP	(03/27/87) NY-RYL	5	12547	8.30	0.40	S MAR 2.29 U	24.50	8.9	23.3	10.7	1.6	195.2	27.6	307.4	
B	SANTA FE SO PAC	NY-SFX	9	156950	32.11	1.00	MAR -0.72	46.00	-2.4	55.3	0.0	2.2	43.3	-2.2	7219.7	
* C	SAUL (BF) REIT#	(05/09/86) NY-BFS	7	5483	8.46\$	0.20	DEC 0.17	16.00	2.4	-3.0	94.1	1.3	89.1	2.0	87.7	
C	SCHULT HOMES CORP	OC-SHCO	11	3335	1.39	0.00	DEC 0.22	2.88	4.5	-42.5	13.1	0.0	106.8	15.8	9.6	
C	SECURITY CAPITAL	(02/13/87) AS-SCC	8	5342	8.26	0.00	MAR -4.25	5.25	7.7	13.5	0.0	0.0	-36.4	-51.5	28.0	
* LP	SHOPCO LAUREL CTR	(05/22/87) AS-LSC	7	4660	9.30	0.84	I ---	0.00	9.00	0.0	-10.0	0.0	9.3	-3.2	0.0	41.9
B	SKYLINE CORP	(10/10/86) NY-SKY	11	11217	11.88	0.48	S MAY 1.04 S	15.63X	1.6	6.8	15.0	3.1	31.5	8.8	175.3	
D	SO ATLANTIC FIN	OC-SOAF	7	6148	2.93	0.00	DEC 0.54	10.50	2.4	35.5	19.4	0.0	258.4	18.4	64.6	
C	SOUTHLAND FINCL	(06/13/86) OC-SFIN	7	16772	10.39	0.00	MAR -1.02 D	8.25	-12.0	-38.9	0.0	0.0	-20.6	-9.8	138.4	
C	SOUTHWEST CORP	(12/05/86) NY-SM	9	45803	10.51	0.24	MAR 1.18	9.50	-1.3	13.4	8.1	2.5	-9.6	11.2	435.1	
C	LP-SOUTHWEST RLTY#	(02/28/86) AS-SWL	7	3442	7.64\$	0.00	MAR 0.08 D	2.25	-5.3	-28.0	28.1	0.0	-70.5	1.0	7.7	
C	STARRETT HOUSING	AS-SHO	6	5917	4.46	0.00	MAR 0.27 U	16.13	6.6	8.4	59.7	0.0	261.5	6.1	95.4	
B	LP-STD PACIFIC L.P.	(08/08/86) NY-SPF	5	26580	5.61	1.20	MAR 1.12	12.88	9.6	-5.5	11.5	9.3	129.5	20.0	342.2	
C	SUNLITE INC	OC-SNLT	9	2766	5.55	0.00	MAR -0.01 U	4.13	0.0	50.0	0.0	0.0	-25.7	-0.2	11.4	
* C	SUNSTATES CORP	OC-SUST	9	411	34.92	0.00	MAR 0.04	14.25	-1.7	20.0	356.3	0.0	-59.2	0.1	5.9	
C	TIERCO GP INC	OC-TIER	7	2126	9.03	0.00	MAR -0.84 D	8.25	13.8	26.9	0.0	0.0	-8.6	-9.3	17.5	
C	TOLL BROS	(07/25/86) NY-TOL	5	29994	1.28	0.00	APR 0.52 U	10.25	10.8	79.5	19.7	0.0	700.8	40.6	307.4	
B	LP-UDC-UNIVRSL DEV	(08/08/86) NY-UDC	6	10652	7.93	2.20	MAR 2.94	20.50	-8.9	0.6	7.0	10.7	158.5	37.1	218.4	
B	UNICORP AMER	(05/09/86) AS-UAC	7	10791	12.36\$	0.60	MAR 0.68	11.75	-3.1	-3.1	17.3	5.1	-4.9	5.5	126.8	
C	UNION VALLEY CORP	AS-UVC	6	3967	3.02	0.00	MAR 0.73	9.75	0.0	52.9	13.4	0.0	222.8	24.2	38.7	
* C	US CAPITAL CORP	OC-USCC	6	8270	1.95	0.00	JUL -1.44	0.75	0.0	-25.0	0.0	0.0	-61.5	-73.8	6.2	
C	US HOME CORP	(04/10/87) NY-UH	5	39895	5.62	0.00	MAR -1.92	5.63	0.0	0.0	0.0	0.0	0.1	-34.2	224.4	
* LP	US REALTY PTNRS#	(09/26/86) OC-USRLZ	7	1222	20.07	2.26	MAR 2.22	18.50	0.0	-17.8	8.3	12.2	-7.8	11.1	22.6	
Z	US SHELTER CORP	OC-USSS	10	9446	2.34	0.00	DEC -0.82	2.88	21.1	43.8	0.0	0.0	22.9	-35.0	27.2	
* LP	VMS MORTGAGE INV	(01/24/86) OC-VMLPZ	8	7629	8.91	1.08	S MAR 1.18 U	9.63	-1.3	-1.3	8.2	11.2	8.0	13.2	73.4	
C	VYQUEST INC	AS-VY	11	3849	7.26	0.00	FEB -0.38	5.88	0.0	6.8	0.0	0.0	-19.1	-5.2	22.6	
C	WASHINGTON CORP	PH-TWC.X	6	1987	4.43	0.00	DEC -0.41	4.13	0.0	-15.4	0.0	0.0	-6.9	-9.3	8.2	
* C	WASHINGTON HOME	(11/22/85) AS-WHI	6	4728	5.39	0.00	APR 1.71	9.88	-1.3	23.4	5.8	0.0	83.2	31.7	46.7	
C	WEBB (DEL E) CORP	(06/14/85) NY-WBB	9	7953	18.90	0.20	MAR 1.83	19.88	11.2	-10.7	10.9	1.0	5.2	9.7	158.1	
L	WESPAC INVSTR	(01/10/86) OC-WESPS	12	5968	1.08	0.00	FEB -1.31	2.38	11.8	-9.5	0.0	0.0	119.9	-121.3	14.2	
* LP	WINTHROP INS MTG	AS-WMI	8	3868	13.77	1.40	S MAR 2.12	13.88	1.8	-13.3	6.5	10.1	0.8	15.4	53.7	
B	WRITER CORP	(04/10/87) OC-WRTC	6	4123	8.12	0.00	MAR -0.63	4.75	5.6	-24.0	0.0	0.0	-41.5	-7.8	19.6	
B	ZIMMER CORP	AS-ZIM	11	4662	1.99	0.00	MAR -1.83 D	3.13	-7.4	-21.9	0.0	0.0	57.0	-92.0	14.6	

COMPARATIVE REALTY STOCK GROUP AVERAGE 06/23/87

GROUP NUMBER & NAME	DIV	NON-DIV	TOTAL	SHARE (000)	BOOK VALUE	ANNUAL DIV	EARN ANN	LAST PRICE	% CHANGE JUN 09	FROM JAN 1	P/E RATIO	ANNUAL YIELD	% PR TO BK	RETURN ON BK	MARKET VAL(000)
1 PROPERTY REITS	55	3	58	6850	10.87	1.12	1.07	15.02	0.0	1.4	14.0	7.4	38.1	9.9	6645.3
2 PROF & MTG COMB REITS	23	3	26	5790	12.85	1.36	1.04	13.82	-0.2	-4.6	13.2	9.8	7.6	8.1	2168.5
3 MORTGAGE REITS	17	1	18	5657	13.98	1.81	1.52	14.26	2.3	-5.5	9.4	12.7	2.0	10.9	1539.5
4 PARTICIPATING MTG REITS	13	0	13	8587	11.45	1.09	0.98	10.74	-1.2	-13.0	11.0	10.2	-6.2	8.5	1438.0
5 MAJOR HOMEBUILDERS	8	4	12	21306	9.25	0.30	0.27	11.11	1.1	8.7	13.5	2.0	61.9	12.0	3296.3
6 OTHER BLDGS/DEVELOPERS	5	29	34	6330	5.12	0.13	0.26	8.14	-0.4	7.7	30.9	1.5	59.1	5.1	1892.5
7 INCOME PROP BLDG/OWNR	22	12	34	7470	11.08	0.76	0.89	16.10	-1.0	2.0	18.0	4.7	45.3	8.1	3973.6
8 MORTGAGE BANKER/FINANCE	13	4	17	13764	10.26	0.86	1.13	14.55	-0.4	-1.6	12.8	5.9	41.8	11.0	5530.2
9 DIVERSIFIED RLTY/HOLDING	13	5	18	18363	15.45	0.36	1.41	18.83	1.9	15.6	13.4	1.9	21.9	9.1	10486.3
10 RLTY SVCS/SYNDICATORS	1	5	6	8256	5.81	0.03	0.23	9.56	2.7	22.7	41.3	0.3	64.5	4.0	432.6
11 MANUFACTURED HOUSING	4	6	10	11804	6.11	0.15	0.34	9.35	1.1	0.5	27.9	1.6	53.2	5.5	1244.1
L LIQUIDATING COMPANIES	0	1	1	5968	1.08	0.00	-1.31	2.38	11.8	-9.5	NC	NC	119.9	NC	14.2
P PREFERRED STOCKS	1	0	1	1650	10.00	1.10	0.00	11.75	3.4	-3.1	NC	NC	17.5	NC	19.4
OVERALL AVERAGE			248	9017	10.47	0.83	0.94	13.69	0.2	1.8	14.5	6.0	30.8	7.9	38680.5
DOW JONES INDUSTRIALS							126.49	2439.73	3.7	28.7	19.3	2.8			
STANDARD & POOR'S 500							15.23	308.43	3.8	27.4	20.3	2.9			
DOW JONES UTILITIES							13.85	208.14	3.5	1.0	15.0	7.7			

REALTY STOCK RANKINGS

REALTY STOCK REVIEW has developed its exclusive Rankings of real estate stocks to indicate how each stock stands fundamentally in terms of its past, present and future. Rankings from "A" (highest) to "E" (lowest), shown in the first column in the statistical tables, are assigned based on:

- (1) Earnings and dividend growth and stability over the past five years (the past - roughly 40%); Companies with over two but less than five years of operations score lower here, hence have lower overall Rank.
- (2) Financial measures including leverage and liquidity and match of asset/liability maturities in the balance sheet (the present - about 40%); and
- (3) Exposure to outside economic and competitive forces and management's ability to control its business destiny thru leverage and planning (our subjective estimate of the future - 20%).

Being rooted in historical factual analysis, Rankings are not based upon current price and thus are not intended as recommendations. A highly-Ranked stock may become overpriced or underpriced during trading, and vice versa. Rankings are given without regard to whether the entity subscribes to RSR. Other entries in the Ranking column denote:

--An asterisk (*) denotes stocks which cannot be ranked because of insufficient (generally less than two years) operating history in present form, or newly organized companies, or incomplete or non-comparable data.

--(Z) denotes entities which currently retain Audit or its investment banking affiliate, Campbell & Dillmeier, for specific assignments; and entities for which C&D is acting as non-retainer intermediary for a publicly announced proposed transaction.

--(L) denotes non-ranked liquidating entities.

NOTES TO COMPARATIVE STATISTICS - PAGES 6-8

All facts are on a per-share basis except computed ratios and market values. Each stock is classified in an industry group, numbered as in the Comparative Group Average Table on Page 8. Only historical data, or annualizations, are used; earnings are not estimates.

Annualized Dividend and Yield: The latest quarterly (or monthly) payout multiplied by 4 or 12. Since REITs must pay out 95% of EPS to be exempt from Federal income taxes, REIT dividends may vary.

Earnings and Price/Earnings Ratio: Computed from the latest (trailing) 12 months' earnings per share, except for cash flow companies. Cash flow entities, denoted with symbol "F" after their name, are those for whom net cash flow is the most meaningful measure of results. Net cash flow (defined as net income plus depreciation and partnership payments less mortgage amortization) on a per share basis (CFS) is used in place of earnings. Accumulated depreciation is added to historic book value for consistency.

Book value per share is tangible net worth after deducting intangibles (unamortized debt discount and expenses, etc.) for all companies except the following: INTANGIBLES PER SHARE (MAINLY GOOD-WILL) NOT DEDUCTED ARE: Amrep/\$1.18; Hallwood Group/\$1.15; Landmark Land/\$16.51; Johnstown Am./\$8.47; Security Cap./\$26.27; Vyquest/-/\$2.08; Ameribanc Inv./\$2.88; Integrated Res./\$11.06; Reading/\$1.99; Equitec/\$6.15; Lomas Fincl./\$7.92; Grubb & Ellis/\$4.28; Burger King/\$5.79; Ryland/\$3.03. Book value does not reflect asset value appreciation, for which see Appraised Value table, p. 5.

SYMBOLS & ABBREVIATIONS

New EPS or dividend: U-UP. D-DOWN. S-UNCHANGED. I-INITIAL.
= Net Cash Flow; See above definition. @ Gross Cash Flow.
Last bid prices are shown for over-the-counter stocks.
P=Paired stock. \$=Appraised value reported; see p. 5.
F = Finite life REIT. LP = Limited partnership.